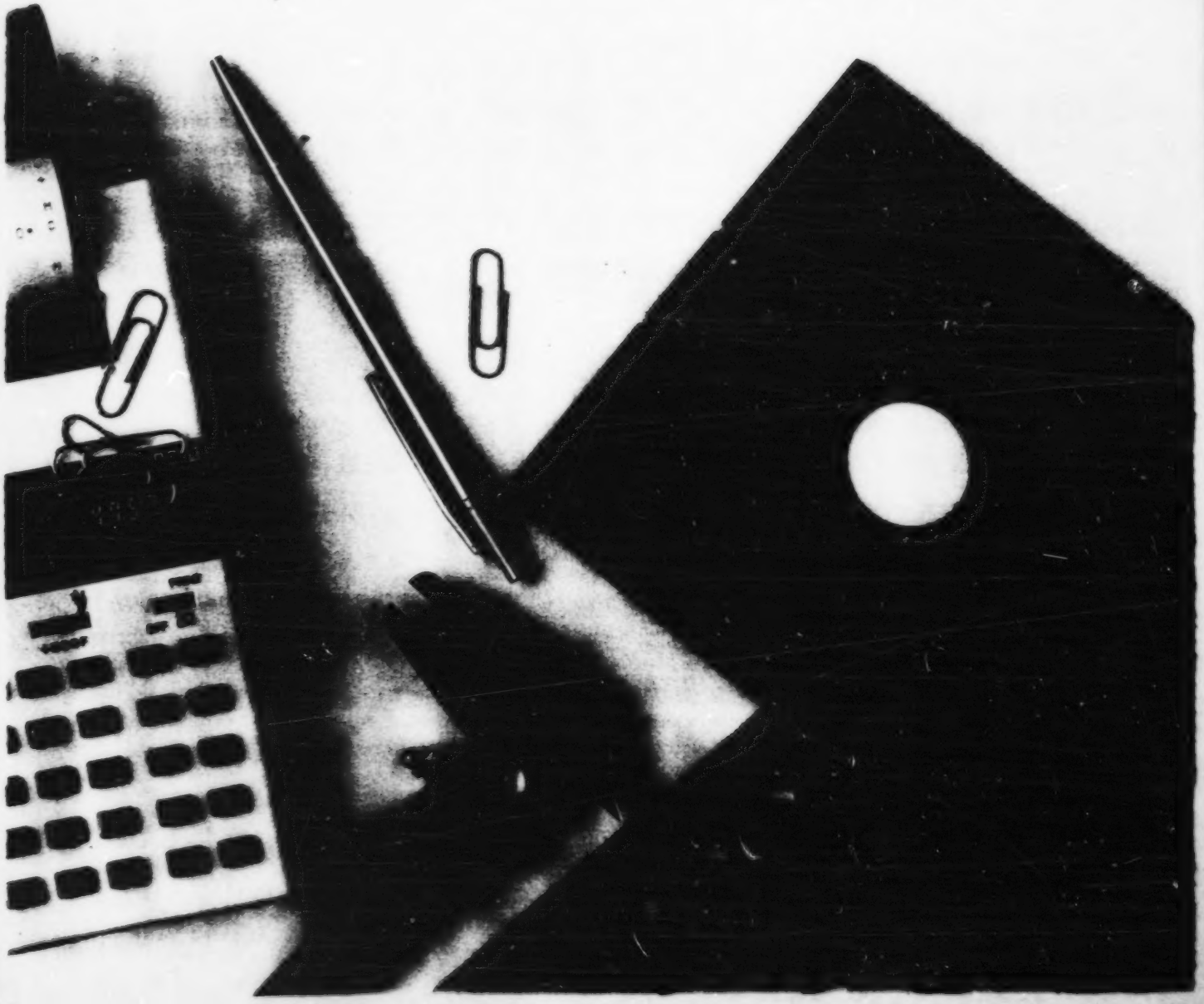
Saskatchewan
Workers'
Compensation
Board

1 9 8 9

SIXTIETH

ANNUAL REPORT



90-04719/

* *Average assessment rate $1.58, one of the lowest in Canada*

* *33,319 claims settled, down 7.2% from 1988*

* *Assets $409 million*

* *$6.2 billion in payroll covered*

* *Fund Balance $25.5 million*

* *330,000 workers covered*

* *32,770 employers covered*

CONTENTS

Page

Mission Statement 2

Letters of Transmittal 3

Chairman's Report 4

Client Services 6

Support Services 8

Other Services 9

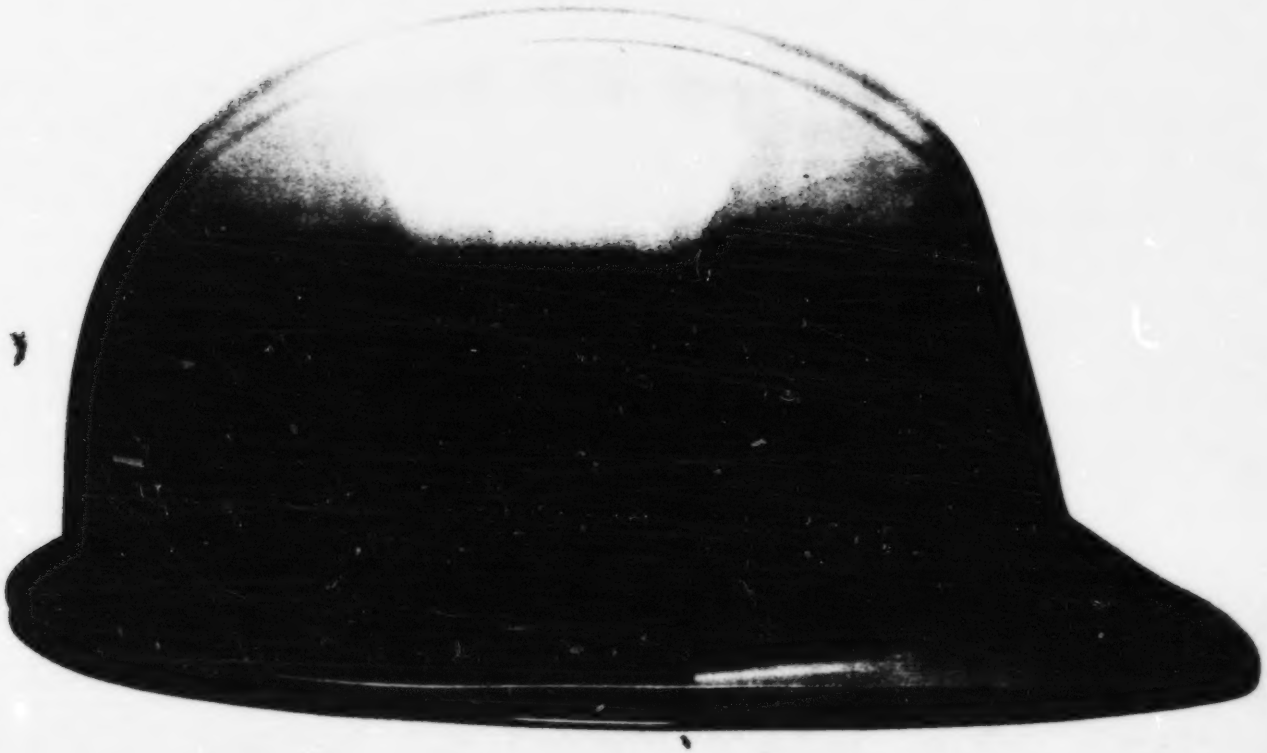
Statistical Highlights 11

Financial Information

- Investments 13
- Auditors' Report 23
- Actuary's Report 24
- Financial Statements 25
- Administrative Expenses 32

Organizational Structure 33

Additional Publications and Information 34



MISSION STATEMENT

MISSION

To protect workers and employers against the result of work injury.

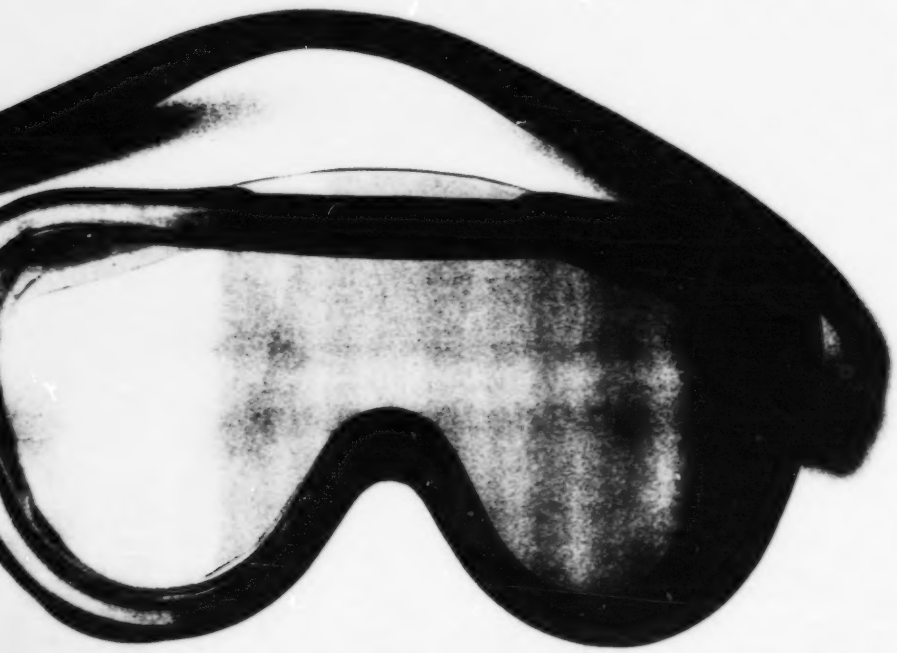
GOALS

To deliver fair and timely service to injured workers and employers.

To provide a fully funded, efficient and effective workers' compensation system.

To communicate and promote an understanding of workers' compensation.

To develop our human and other resources to meet present and future challenges.



LETTERS OF TRANSMITTAL

To The Honourable Sylvia O. Fedoruk
Lieutenant Governor of Saskatchewan

May It Please Your Honour:

I herewith submit for your consideration the Annual Report of The Workers' Compensation Board for the Calendar Year 1989.

Respectfully submitted.

Gerry Schmidt
Minister of Human Resources,
Labour and Employment

The Lieutenant Governor in Council

Sir:

We are pleased to submit the Sixtieth Annual Report of The Saskatchewan Workers' Compensation Board for the year ending December 31, 1989.

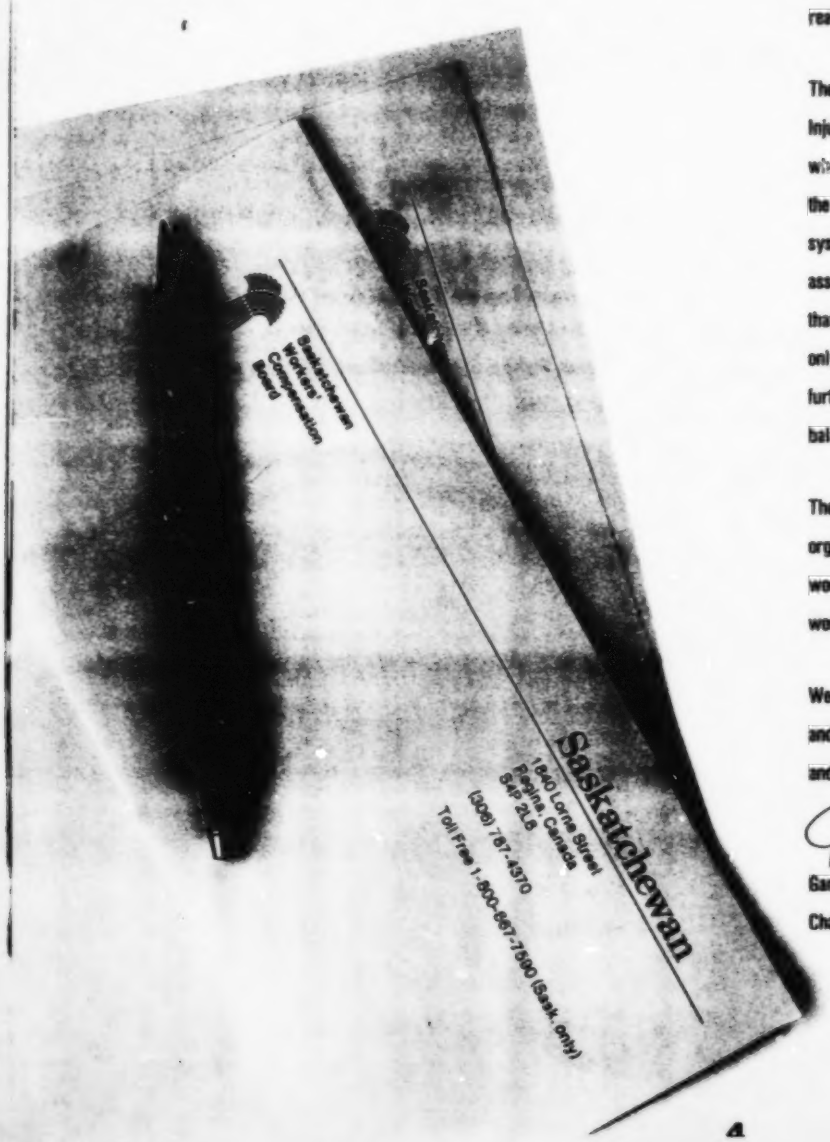
Respectfully submitted.

Garnet Garven
Chairman

George Bissett
George Bissett
Board Member

G. Leonard Larson
Board Member

CHAIRMAN'S REPORT



The Saskatchewan Workers' Compensation Board has stood the test of time. Since 1929, the system has protected workers and employers against the result of work injury and has achieved this mandate with distinction. For six decades, the Board has been a consistent leader in injured worker benefits and services, sound financial management and affordable employer assessment rates.

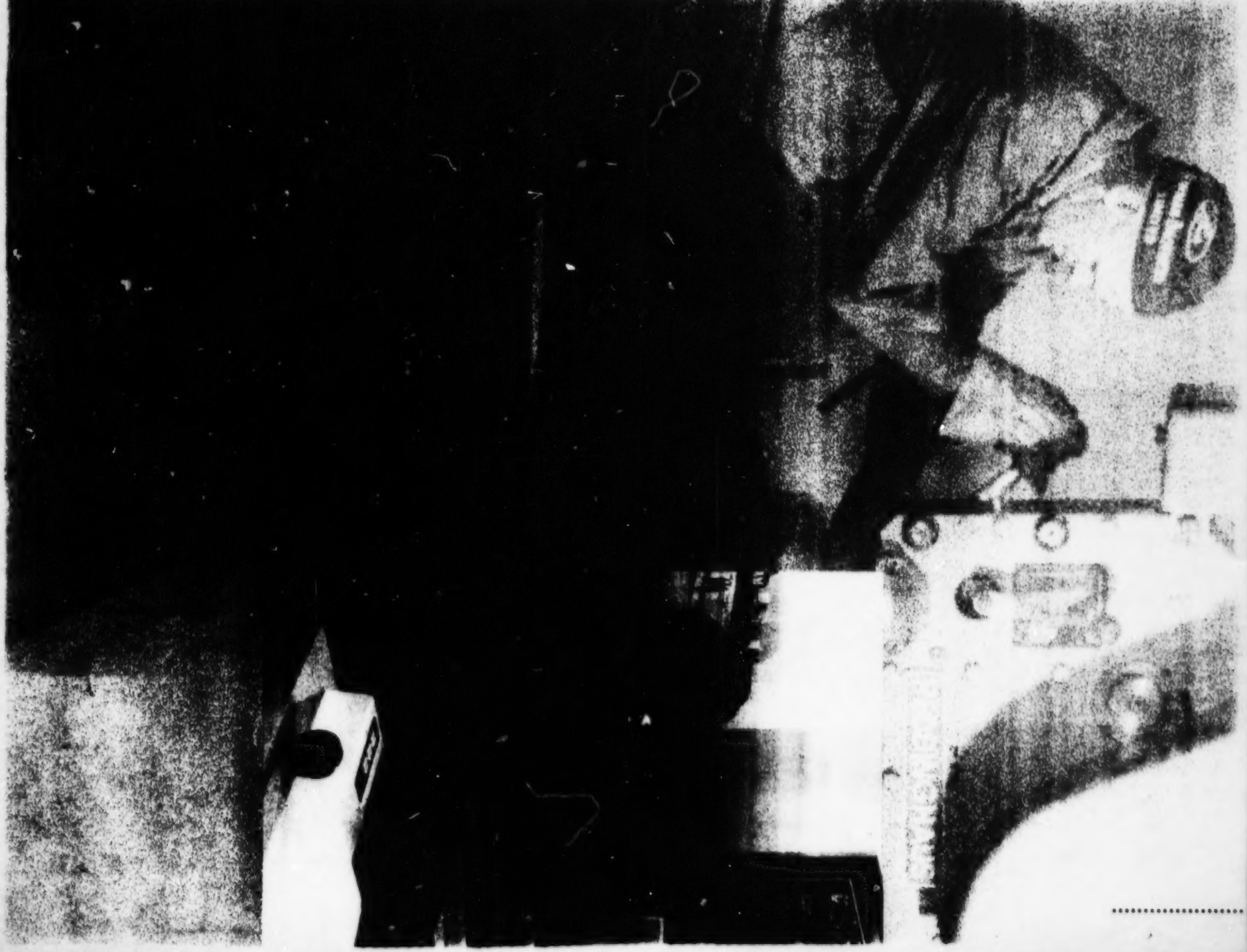
This enviable record stems from a combination of a dedicated and professional staff, strong leadership, regular external reviews of the system and a positive working partnership between employers, workers and the Board: a partnership which has not lost sight of the real purpose of workers' compensation.

The past year was a positive conclusion to sixty years of service. Injuries declined for a sixth year, an unprecedented event. Fatalities, while up in 1989, are still at low historical levels. Benefit levels remain the highest and most comprehensive in the country. Appeals against the system decreased and services improved. The average rate of assessment for employers remains one of the lowest in Canada, lower than the 1930 rate. Finally, Saskatchewan continues to have one of the only long-term fully funded operations in Canada. 1989 resulted in a further strengthening of our financial situation with a positive fund balance of $25.5 million.

The nineties will be a decade of change and we are preparing our organization for the challenges ahead. The nature, source and type of work injury will reflect the structural changes of the Saskatchewan workplace: it will not be business as usual.

We begin this new decade with the confidence of the past sixty years and the commitment to meet these challenges with even greater energy and enthusiasm.

Garnet Garven
Chairman



CLIENT SERVICES

Injuries Decline ... Fatalities Rise

33,319 claims were settled in 1989, down 7.2% from 35,915 in 1988. A downward trend in workplace injuries is positive, but the rise in work related fatalities (36 in 1989, 23 in 1988), is returning to historical levels and remains cause for concern.

Workplace fatality causes vary, but motor vehicle accidents remain the leading source (13 or 36%). The Board in cooperation with other organizations promotes safety practices to reduce workplace injuries and fatalities.

Most claims are no time loss (58.5%) or temporary lost time (41.1%). Only a small percentage of injuries affect earning capability. To build on a worker's residual capabilities the Board is actively involved in vocational rehabilitation.

Vocational Rehabilitation Works

Over 2,700 workers received vocational rehabilitation assistance in 1989. The goal is to return workers to the workplace with no loss of earnings capacity, either through our innovative job readiness program or other Board programs and services.

Low Rates ... Financially Sound

The agreement that employers, not workers, cover costs associated with workplace injuries was a founding principle of Workers' Compensation. For sixty years the Board has carefully balanced benefit and service requirements against the financial ability to pay.

The Board is pleased to report its 1989 overall average assessment rate of $1.58 per $100 of payroll ($1.85 in 1930) remained one of Canada's lowest. More importantly, the Board maintained its consistent record of sound financial management and increased its fund balance by $9.3 million to $25.5 million.

Rate setting is a complex process. Last year 30 employer associations were invited to review the proposed 1990 rates before finalization. This unique forum enabled employers and the Board to exchange information and jointly address employer issues facing Workers' Compensation.

32,770 employers were assessed $91 million (72% of total revenue) in 1989, to ensure sufficient financial resources were available to cover the demands of the system.

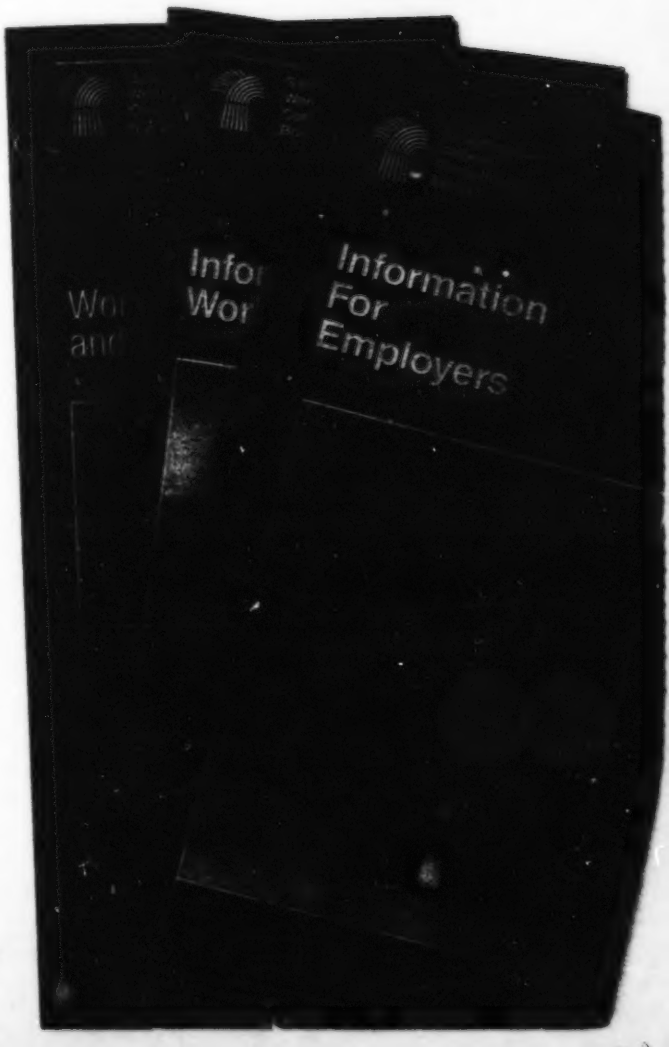
Merit ... Surcharge

Collective industry liability is another principle of compensation. This means injury costs are borne by entire industry groups or classifications not single employers. However, to encourage individual workplace safety and balance real world cost experience, merit rebate and surcharge programs were developed.

For 1989, almost 19,000 employers can expect just over $8 million in rebates, while 187 employers were surcharged $679,000.

Promoting Awareness and Understanding

The Board hosted 12 information workshops throughout Saskatchewan to explain its mission to 250 employers. These sessions offered employers the opportunity to help the Board protect employers and workers against the result of work injury. To further promote awareness and understanding the Board provided monthly and quarterly employer information reports, attended various industry/consumer trade shows, published various information pamphlets and offered a speaker service.



SUPPORT SERVICES

Corporate support services are offered by various departments.

Corporate Services is responsible for research and information, human resources and facility/equipment management.

Finance is responsible for budgeting, payment of corporate expenditures and investment portfolio management.

Management Information Services manages corporate mainframe and desk top computer system installation and operations.

Board physicians act as consultants to non-medical personnel, cooperatively manage the Injured Workers' Program with Wascana Rehabilitation Centre specialists, provide opinions on client fitness for work and inform external health care professionals of compensation related issues.

OTHER SERVICES

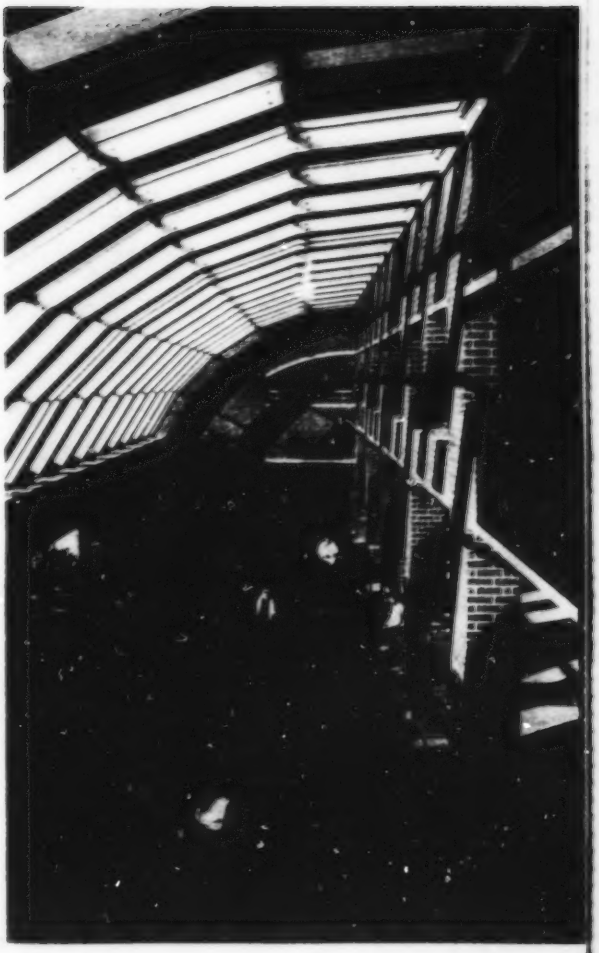
Appeals

Saskatchewan, like all Canadian compensation jurisdictions, has a process for appealing decisions. First level appeals are handled by specific departments. Clients who believe department decisions are incorrect may contact the Appeals Committee.

The Committee conducts independent and objective reviews of departmental decisions and can uphold, reverse or amend those decisions as required.

675 requests for review were received and acted upon in 1989. The majority of requests were from individuals (74%), lawyers (7.8%), the Worker's Advocate office (5.1%), union representatives (4.5%), and employers (2.9%).

Clients not satisfied with an Appeals Committee decision can apply directly to the Board for case review. In 1989, 218 review appeals were received.



Wascana Rehabilitation Centre Physical Rehabilitation/Injured Workers' Program

A revitalized Wascana Rehabilitation Centre opened in early 1989. The Board's $12 million contribution developed new accommodation, treatment, educational and recreational facilities for The Injured Workers' Program.

The Board contracts the Centre's specialized and interdisciplinary team of health care professionals to provide the Injured Workers' Program.

STATISTICAL HIGHLIGHTS

Claims Settled Information

	1987	1988	1989
Total Claims	36,785	35,915	33,319
Fatalities	27	23	36
Permanent Impairment	132	110	91
Temporary Impairment	15,354	15,075	13,706
No Time Loss	21,272	20,707	19,486
Total Claims Days	407,851	410,906	351,114
Average Claims Days	26.1	27.1	25.4
Average Weekly Wage	$ 429	$ 466	$ 460

Top 5 Areas of Injury, 1989 only

Hand & Fingers	8,271
Lumbar Spine	5,448
Knee, lower leg & ankle	3,517
Eyes	3,427
Elbow, lower arm & wrist	2,945

Top 5 Occupations with Injuries, 1989 only

Nursing aides & orderlies	1,515
Truck drivers	1,375
Motor vehicle mechanics & repairs	1,078
Welders & flame cutters	988
Industrial, farm & construction machinery mechanics & repairs	878

Top 5 Industry Codes with Injuries, 1989 only

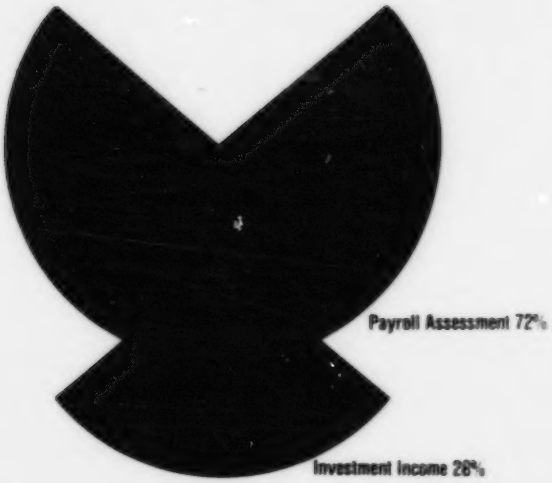
B1	Building construction & related trades	4,120
G2	Hospitals, nursing & group care homes	3,552
S3	Caretaking, commercial maintenance & service clubs	3,099
C6	Automotive & implement sales & services	2,664
C3	Department stores & food outlets	2,442

Assessment Information

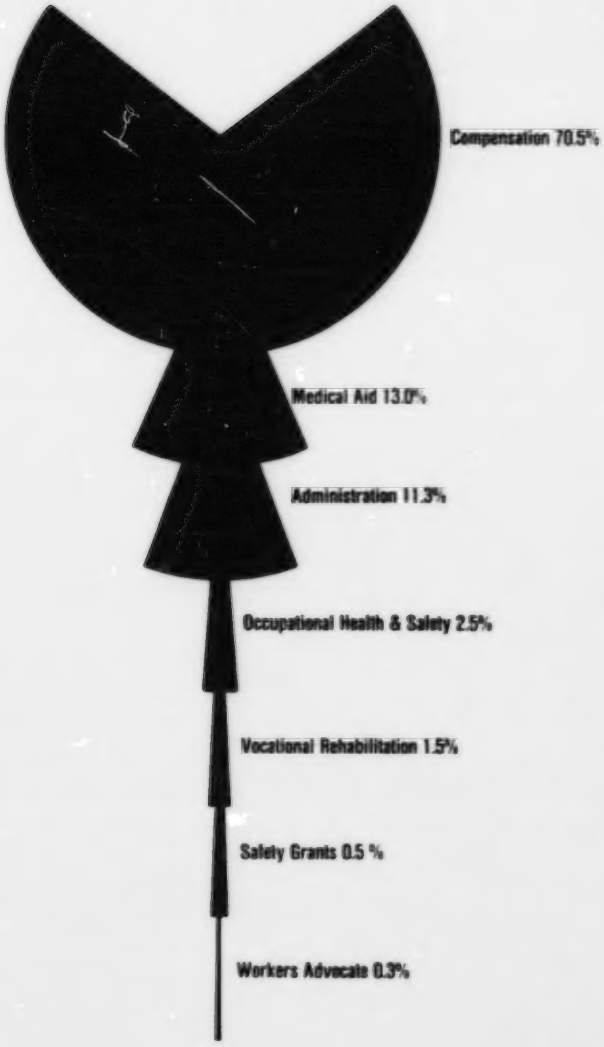
Assessment Ceiling	$34,000	35,000	37,000
Number of Employer Accounts Processed	33,404	33,095	32,770
Number of Workers Covered	326,478	326,500	330,000
Assessable Payroll (billion)	$ 5.8	6.0	6.17
Average Assessment Rate	$ 1.48	1.61	1.58

1989

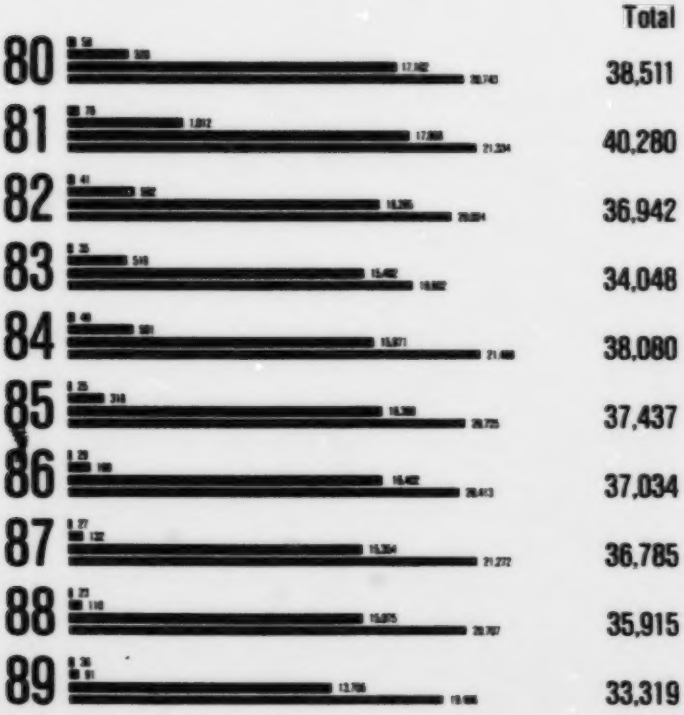
Revenue



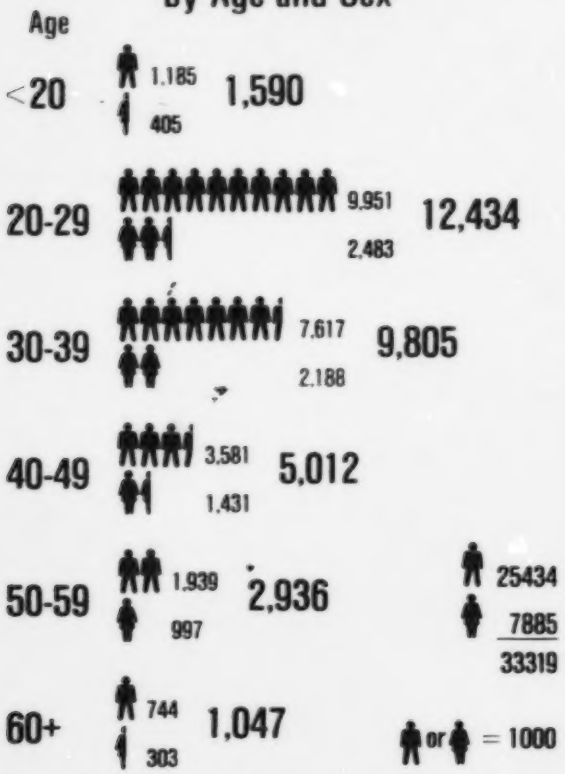
Expenses



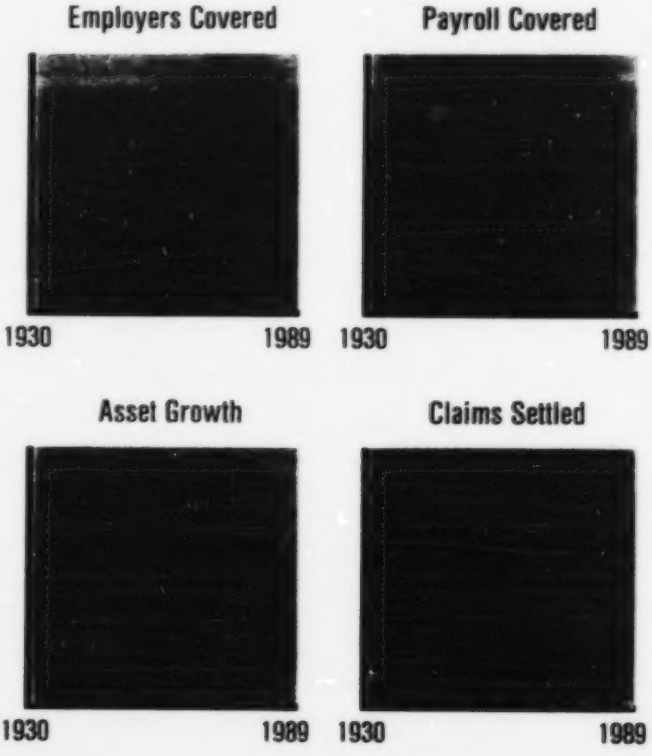
1980-89 Number of Claims Settled by Type



1989 Number of Claims Settled by Age and Sex



60 Years of Service & Growth



Average Number of Compensation Days & Total Number of Compensation Days

FINANCIAL INFORMATION

Investments

The Board's investment policy is designed to protect the interests of injured workers and employers.

The current guidelines of the policy are:

1) Meet all legislative requirements.
2) Maintain a position of fully funded liabilities with adequate reserves.
3) Maximize return within acceptable risk.
4) Match income to cash flow.

Consistent application of these guidelines contributes to the Board's ability to maintain a stable assessment rate structure. Our current rates are among the lowest in Canada.

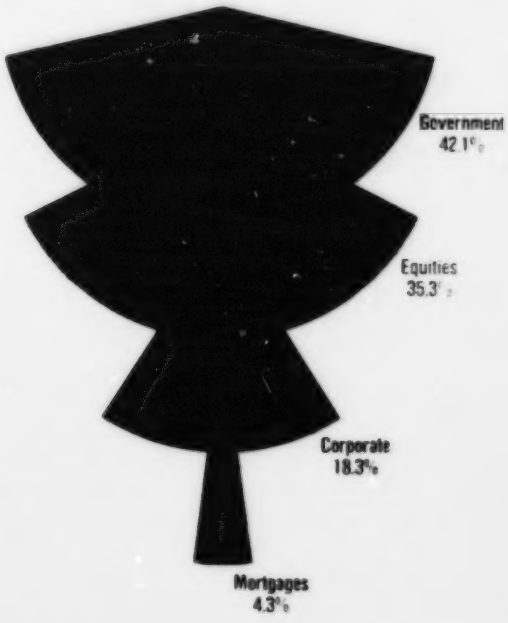
In 1989, total book value of the investments increased by $30,065,893 to $381,937,915. Investment income increased to $35,874,134 for an average rate of return of 10.13% (9.73% - 1988) on the book value of the portfolio.

During 1989, the Board completed a comprehensive investment review. The policy was formalized to include specific long-term investment objectives with a written statement of quality, quantity and rate of return standards which together form a strategic framework for the investment manager.

The equity component of the Injury Fund has been increased to better match certain liabilities which are subject to inflationary increases. At December 31, 1989, 35% of the portfolio was invested in equities and 65% in fixed income investments. The fund had a market value of approximately $380 million at the end of 1989.

These comments are illustrated as per the graphs on this page.

1989 Investment Portfolio



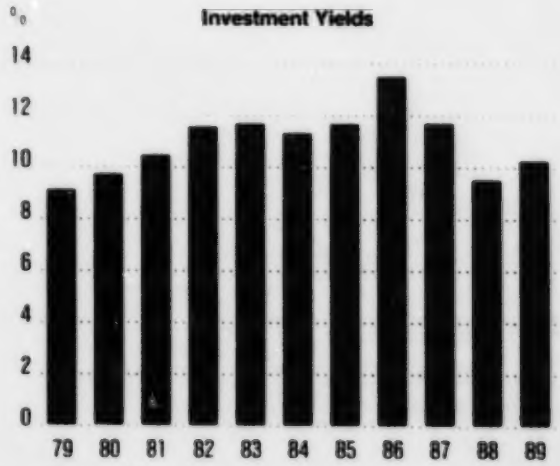


Exhibit 1

Workers' Compensation Board (Saskatchewan)
Statement of Investments

December 31, 1989

Security	Par Value	Book Value
	(thousands of dollars)	
Government of Canada	$ 22,397	$ 22,362
British Columbia Hydro	650	649
British Columbia Finance	600	599
Province of New Brunswick	4,575	4,575
Province of Newfoundland	4,200	4,088
Newfoundland Hydro	2,075	2,053
Nova Scotia Power	2,950	2,905
Ontario Hydro	60,643	59,562
Province of Prince Edward Island	1,100	1,088
Hydro Quebec	3,300	3,343
Province of Saskatchewan	45,541	43,474
City of Edmonton	2,300	2,212
City of Saskatoon	75	75
City of Winnipeg	8,950	8,930
Alberta Energy Company	1,000	1,000
Cambridge	2,000	2,218
Mark Resources	1,540	1,518
Potash Corp.	3	3
PWA Corporation	1,000	1,000
Repap Enterprises	1,000	1,000
SaskPower	645	692
AEC Power Ltd.	3,000	3,000
Atrium on Bay	2,472	2,355
Avco Financial	1,500	1,511
Bank of Nova Scotia	2,700	2,703
Cadillac Fairview Shopping	451	423
Calford Properties Ltd.	2,127	2,098
Cambridge Leaseholds Ltd.	985	985
Campeau Corporation	1,129	1,129
Canadian Home Oil Ltd.	1,500	1,500
Canadian Utilities Ltd.	3,000	2,986
CCL Industries Ltd.	1,000	1,000
CIBC Mortgage Corp.	6,500	6,541
Consumer Gas Corp.	2,287	2,214
Domtar Ltd.	4,000	3,959
GSM Holding Corp.	991	991
Guildford Development Ltd.	346	346
Hees International	1,100	1,058
Lloyds Bank of Canada	346	346
Imasco Limited	1,500	1,501
Inland Natural Gas Co. Ltd.	292	292
ICG Utilities Ltd.	1,000	1,000
IPSCO Limited	500	498
Loblaw Companies Ltd.	2,500	2,529
Manalta Coal Ltd.	1,000	1,000
Marathon Realty	1,680	1,680
Montreal Trust	1,000	1,004
National Trust	1,000	985
Noranda Inc.	500	502
Norcen Energy Ltd.	820	820
Nova Corp.	1,925	1,919

Security	Par Value	Book Value
	(thousands of dollars)	
Producers Pipeline Ltd.	$ 837	$ 837
Royal Bank	2,700	2,659
Royal Trust	7,800	7,737
Saskatchewan Wheat Pool	348	348
Simpson Acceptance	300	300
Stelco Ltd.	903	942
Sydney Steel Corp.	217	217
Toronto Dominion Bank	400	400
Toronto Dominion Centre	906	887
TransCanada Pipeline Ltd.	1,000	1,000
Union Gas Limited	284	284
Viking Rideau Corp.	987	987
Xerox Finance Ltd.	2,500	2,474
Air Canada		755
Alcan Aluminum Ltd.		2,756
Bank of Montreal		3,127
Bank of Nova Scotia		2,120
BCE Mobile		343
Bell Canada Enterprises		1,900
BMO NT Financial		550
BNT Ltd.		1,446
Brascan Ltd.		1,025
B.C. Gas Inc.		535
British Columbia Telephone		458
CAE Enterprises Ltd.		748
CIBC		2,832
Canadian Pacific Ltd.		3,507
Canadian Tire Corp. Ltd.		2,090
Canfor Corp.		1,150
CM NT Equity		897
Cominco		1,023
Dofasco Inc.		683
Domtar Ltd.		585
Enerplus Res. Corp. B		899
Enerplus Res. Corp. C		1,436
Enerplus Res. Corp. D		1,003
Gulf Canada		932
Hees International		1,150
Hemlo Gold Mines Inc.		1,170
Imasco Ltd.		1,760
Imperial Oil Ltd.		2,333
Inco Ltd.		2,754
Innopac Inc.		764
Interhome Energy Inc.		454
Invest. Corp. of Sask.		102
IPSCO Inc.		1,013
John Labatt Ltd.		696
Laidlaw Transportation Ltd.		1,652
Lonvest Corp.		1,136
MacLean Hunter Ltd.		1,537
MacMillan Bloedel Ltd.		894
Mitel Corp.		560
Molson Co's Ltd.		1,145
Moore Corporation		1,518
National Bank of Canada		878
Noranda Inc.		2,316
Norcen Energy		1,479
Northern Telecom Ltd.		1,864

Security	Par Value	Book Value
	(thousands of dollars)	
Nova Corp.		$ 2,318
Onex Corp.		656
Oshawa Group		1,013
Placer Dome Inc.		3,192
Power Corp. of Canada		1,162
Power Financial		1,512
Rio Algom		1,183
Royal Bank of Canada		4,247
RY NT Financial		1,170
Scott's Hospitality		934
Seagram's Ltd.		3,080
Sears Canada		679
Shell Canada Ltd.		750
Southam Inc.		760
Teck Corporation		2,676
Thomson Corp.		2,705
TNT Financial		277
Toronto Dominion Bank		2,191
Torstar Corp.		625
Transalta Utilities Corp.		601
TransCanada Pipelines Ltd.		1,225
Trilon Financial Corp.		1,768
Abbott Laboratories		1,052
Ameranda Hess		625
AT&T Co.		1,447
Amp Inc.		467
Atlantic Richfield		538
BankAmerica		1,021
Caterpillar Inc.		695
Chevron Corp.		192
CMS Energy		831
Coca Cola Inc.		182
Columbia Gas		603
Commonwealth Edison		388
Compaq Computer		919
Computer Assoc. Intl. Inc.		788
Cooper Tire & Rubber		588
Delta Air Lines Inc.		151
E.I. duPont de Nemours & Co.		1,456
Federal National Mtg. Assn.		842
Flour Corp.		662
Gatx Corp.		417
General Electric		1,486
General Motors		1,105
Georgia Pac Corp.		754
Gerber Products		651
Gibson Greeting		326
GTE Corp.		535
Long Island Lighting Co.		231
Lubrizoil Corp.		494
Melville Corp.		688
Norton Co.		367
Phelps Dodge Corp.		914
Polygram NV		235
Procter & Gamble Co.		792
Reynolds Metals Co.		683
Schering Plough Corp.		918
Texaco		1,099

Security	Par Value	Book Value
	(thousands of dollars)	
Texaco Inc. - preferred		$ 8
TJX Co. Inc.		561
Travellers Corporation		795
Valley National		294
Waban Inc		347
Warner Lambert Co.		549
Waste Mangement Inc.		706
Williams Co.		360
Pension Fund Realty Bonds		383
Kesmark Pension Fund Bonds		683
Kent Corporate Centre		368
N.H.A. Guaranteed Mortgages		6,795
M.I.C.C. Guaranteed Mortgages		2,989
Conventional Mortgages		4,668
	$ 234,877	$ 370,640

Summary	Par Value	Market Value	Book Value
		(thousands of dollars)	
Government of Canada	$ 22,397	$ 23,921	$ 22,362
Provincials and Securities Guaranteed by Provinces	125,634	123,317	122,336
Municipals	11,325	10,358	11,217
Convertible Debentures	7,188	7,087	7,431
Corporate Securities	68,333	69,212	67,947
	234,877	233,895	231,293
Canadian Equities		100,712	94,699
American Equities		29,144	28,762
	234,877	363,751	354,754
Mortgages		15,821	15,886
	$ 234,877	$ 379,572	$ 370,640

Exhibit 2

Workers' Compensation Board (Saskatchewan)
Statement of Investments Sold

Year ended December 31, 1989

Interest Rate %	Security	Maturity Date	Proceeds	Book Value
			(thousands of dollars)	
11.125	Inland Natural Gas	June 15, 1995	$ 255	$ 250
	Falconbridge Gold	Canadian Equity	5	—
	GW Utilities Ltd.	Canadian Equity	58	48
	Southill Shopping Centre	Real Estate	375	410
10.60	Consumer Gas Corporation	July 6, 2012	1,996	1,857
	Encor Inc.	Canadian Equity	55	45

Interest Rate %	Security	Maturity Date	Proceeds	Book Value
			(thousands of dollars)	
10.25	Stelco Ltd.	April 30, 1996	$ 1,000	$ 1,102
	American Barrick Resources	Canadian Equity	365	433
10.50	Imasco Ltd.	November 20, 1996	1,522	1,500
10.25	Newfoundland Hydro	October 15, 2001	3,041	3,011
10.50	Ontario Hydro	January 15, 2010	521	495
	Imasco Ltd.	Canadian Equity	641	584
	Great West Life Co. Inc.	Canadian Equity	656	687
	Bank of Nova Scotia	Canadian Equity	644	591
	Domtar Inc.	Canadian Equity	305	376
	Echo Bay Mines Ltd.	Canadian Equity	831	1,244
	Inland Natural Gas Co. Ltd.	Canadian Equity	494	420
	British Columbia Telephone Co.	Canadian Equity	1,147	945
15.50	Walker Home Oil Ltd.	Canadian Equity	1,566	1,425
10.375	Ontario Hydro	June 16, 1998	1,036	1,000
	Marion Laboratories	U.S. Equity	1,106	839
10.00	F.W. Woolworth	January 31, 2003	489	484
	TransAlta Utilities Corp.	Canadian Equity	405	394
	Falconbridge Ltd.	Canadian Equity	987	679
	Gerber Products	U.S. Equity	83	59
	Connaught Bioscience	Canadian Equity	1,127	883
	Delta Air Lines Inc.	U.S. Equity	354	354
	Bow Valley Inds. Ltd.	Canadian Equity	628	637
	Xerox Canada Inc.	Canadian Equity	781	837
11.00	Province of Newfoundland	March 4, 2006	1,038	1,006
	Lac Minerals Ltd.	Canadian Equity	602	702
	Abitibi-Price Inc.	Canadian Equity	57	83
	Laidlaw Trans. Ltd.	Canadian Equity	710	488
	Chevron Corp.	U.S. Equity	397	329
	Coca Cola Ltd.	U.S. Equity	386	299
10.50	Bell Canada	July 15, 2009	1,020	974
9.25	Dylex	June 30, 1997	1,810	2,000
11.20	Wardair	October 31, 1999	1,161	1,152
	Amerada Hess	U.S. Equity	303	254
9.00	Province of Saskatchewan	December 11, 1996	1,000	984
11.25	Government of Canada	February 1, 1993	1,020	977
	Phelps Dodge Corp.	U.S. Equity	174	167
9.00	Government of Canada	March 1, 2011	973	962
7.25	R.L. Crain Inc.	October 1, 2001	534	500
10.00	Newfoundland & Labrador Power	June 27, 2003	578	557
12.75	Norcen Energy	August 15, 1993	507	495
13.40	Interprovincial Pipeline	April 1, 2004	490	446
10.75	Quebec Hydro	March 27, 2004	509	507
11.00	Quebec Hydro	October 15, 2004	415	397
13.75	Hudson Bay Acceptance	October 1, 2001	534	497
11.00	Eaton Acceptance	September 15, 1999	512	472
13.50	Nova Scotia Power	December 1, 2002	656	634
9.25	Ontario Hydro	January 6, 2004	471	459
5.50	Province of Quebec	April 1, 1990	540	550
9.75	Province of Saskatchewan	April 16, 1996	493	496
12.25	Westcoast Transmission	July 15, 2000	245	238
12.75	George Weston	June 15, 2000	341	325
11.50	Hudson Bay Properties	January 15, 1995	203	202
11.00	Abitibi Price	March 1, 1995	194	193
13.50	ICG Utilities	November 14, 2003	441	410
	General Electric Co.	U.S. Equity	186	150
			$ 40,973	$ 39,494

Exhibit 3

Workers' Compensation Board (Saskatchewan)
Statement of Investments Purchased

Year ended December 31, 1989

Interest Rate %	Security	Maturity Date	Par Value	Book Value
			(thousands of dollars)	
10.75	Government of Canada	October 1, 2009	$ 1,000	$ 1,035
10.00	Government of Canada	May 1, 2002	1,000	981
	Air Canada	Canadian Equity	—	752
	Alcan Aluminum Ltd.	Canadian Equity	—	1,258
	Scott's Hospitality	Canadian Equity	—	958
	Connaught Biosciences Inc.	Canadian Equity	—	883
	Cominco Ltd.	Canadian Equity	—	1,013
	Oshawa Group Ltd.	Canadian Equity	—	956
	Laidlaw Transportation Ltd.	Canadian Equity	—	714
	Torstar Corporation	Canadian Equity	—	618
	Thomson Newspapers Ltd.	Canadian Equity	—	110
	MacLean Hunter Ltd.	Canadian Equity	—	929
	Dofasco Ltd.	Canadian Equity	—	179
	Gerber Products Co.	U.S. Equity	—	675
	Valley National Corp.	U.S. Equity	—	329
	Long Island Lighting Co.	U.S. Equity	—	221
	Lubrizol Corp.	U.S. Equity	—	511
	General Motors Corp.	U.S. Equity	—	1,115
	Norcen Energy Resources	Canadian Equity	—	3,843
	Marion Laboratories Inc.	U.S. Equity	—	501
	Reynolds Metals	U.S. Equity	—	514
	Cooper Tire & Rubber	U.S. Equity	—	710
	Abbott Laboratories	Canadian Equity	—	1,032
	Compaq Computer Corp.	U.S. Equity	—	946
	Melville Corp.	U.S. Equity	—	690
	Phelps Dodge Corp.	U.S. Equity	—	1,164
	Caterpillar Inc.	U.S. Equity	—	712
	Teck Corporation	Canadian Equity	—	2,167
11.20	CIBC	April 11, 1994	2,000	2,048
11.75	Woodlawn Mortgage	October 1, 2007	109	109
	General Electric Co.	U.S. Equity	—	1,598
	Computer Associates Intl. Inc.	U.S. Equity	—	843
	Gibson Greeting Inc.	U.S. Equity	—	322
	GATX Corp.	U.S. Equity	—	415
	A.T. & T. Co.	U.S. Equity	—	1,403
	Northern Telecom Ltd.	Canadian Equity	—	896
	Moore Corporation Ltd.	Canadian Equity	—	560
	Imperial Oil Ltd.	Canadian Equity	—	1,173
	CAE Industries Ltd.	Canadian Equity	—	726
	Inco Ltd.	Canadian Equity	—	1,763
	Brascan Ltd.	Canadian Equity	—	619
	MacMillan Bloedel Ltd.	Canadian Equity	—	472
10.50	Saskatchewan Power Corp.	July 6, 1991	645	716
	E.I. duPont de Nemours & Co.	U.S. Equity	—	1,439
	Falconbridge Ltd.	Canadian Equity	—	113
	Seagrams Company Ltd.	Canadian Equity	—	1,638
	Shell Canada Ltd.	Canadian Equity	—	677
	Canadian Pacific Ltd.	Canadian Equity	—	2,041
	National Bank of Canada	Canadian Equity	—	427
	Power Corporation Canada	Canadian Equity	—	679

Interest Rate %	Security	Maturity Date	Par Value	Book Value
			(thousands of dollars)	
	Interhome Energy Inc.	Canadian Equity	$ —	$ 462
	Bank of Montreal	Canadian Equity	—	2,127
	Royal Bank of Canada	Canadian Equity	—	2,618
	Hemlo Gold Mines Inc.	Canadian Equity	—	1,121
	Sears Canada Inc.	Canadian Equity	—	684
	Innopac Inc.	Canadian Equity	—	808
	Rio Algom Ltd	Canadian Equity	—	1,208
	Zayre Corp.	U.S. Equity	—	339
	Delta Airlines Inc.	U.S. Equity	—	507
11.20	Wardair	October 31, 1999	1,100	1,155
10.35	Imasco Ltd.	June 13, 1996	1,500	1,501
10.25	Quebec Hydro	July 16, 2012	3,000	3,049
10.00	Ontario Hydro	May 10, 2009	510	510
	Hees International Bancorp Inc.	Canadian Equity	—	1,153
	TransCanada Pipeline Ltd	Canadian Equity	—	835
	Xerox Canada	Canadian Equity	—	170
	Bow Valley Industries Ltd.	Canadian Equity	—	637
	Gulf Canada Resources Ltd	Canadian Equity	—	750
	Southam Inc.	Canadian Equity	—	768
	Coca Cola	U.S. Equity	—	219
	Schering Plough Co.	U.S. Equity	—	585
	Waste Management Inc.	U.S. Equity	—	491
	Amerada Hess	U.S. Equity	—	846
	BNT Ltd.	Canadian Equity	—	543
	Thomson Corp.	Canadian Equity	—	1,619
	Ipsco Inc.	Canadian Equity	—	1,008
	Molson Cos. Ltd.	Canadian Equity	—	1,122
	Nova Corporation of Alberta	Canadian Equity	—	1,612
	Placer Dome Inc.	Canadian Equity	—	2,050
	Trilon Financial Corp.	Canadian Equity	—	1,781
	TransAlta Utilities Corp.	Canadian Equity	—	315
	Power Financial Corp.	Canadian Equity	—	619
	Mitel Corporation	Canadian Equity	—	575
	John Labatt Ltd.	Canadian Equity	—	313
	Canadian Tire Corporation Ltd.	Canadian Equity	—	1,485
	Texaco Inc.	U.S. Equity	—	1,072
	Columbia Gas Sys. Inc.	U.S. Equity	—	593
	Chevron Corp.	U.S. Equity	—	514
	BankAmerica Corp.	U.S. Equity	—	1,040
10.875	Ontario Hydro	March 29, 1999	1,000	1,045
	BCE Mobile	Canadian Equity	—	340
10.50	Noranda Inc.	July 28, 2003	500	502
	Onex Corp.	Canadian Equity	—	663
	TNT Financial	Canadian Equity	—	275
	CMS Energy Corp.	U.S. Equity	—	816
	Kent Corp. Centre	Real Estate	—	368
	Noranda Inc.	Canadian Equity	—	1,495
	Georgia Pac Corp.	U.S. Equity	—	783
9.25	Government of Canada	October 1, 1994	500	493
	Waban Inc.	U.S. Equity	—	255
	Canfor Corp.	Canadian Equity	—	1,177
	TJX Companies Inc.	U.S. Equity	—	359
	CIBC	Canadian Equity	—	364
	Warner Lambert Co.	US. Equity	—	541
	Federal National Mtg. Assn.	U.S. Equity	—	870
	First City Trust - Woodlawn	Mortgage	—	107
	Fluor Corp.	U.S. Equity	—	643

Interest Rate %	Security	Maturity Date	Par Value	Book Value
			(thousands of dollars)	
	Bank of Nova Scotia	Canadian Equity	$ —	$ 729
	BCE Inc.	Canadian Equity	—	311
	Toronto Dominion Bank	Canadian Equity	—	550
	Imasco Ltd.	Canadian Equity	—	305
	CM NT Equity Corp.	Canadian Equity	—	327
7.50	Cambridge	June 1, 2004	2,000	2,225
	RY NT Financial Corp.	Canadian Equity	—	320
8.00	Mark Resources	November 30, 2004	—	1,518
10.35	Bank of Nova Scotia	July 19, 2001	34	999
	Norton Co.	U.S. Equity	—	363
10.00	Hees International	August 23, 1999	1,057	28
	Lonvest Corp.	Canadian Equity	—	90
	BC Gas Inc.	Canadian Equity	—	163
10.75	Potash Corp.	December 1, 1992	—	3
	GTE Corp.	U.S. Equity	—	533
	Atlantic Richfield	U.S. Equity	—	535
	AMP inc.	U.S. Equity	—	164
	Commonwealth Edison	U.S. Equity	—	394
	Procter & Gamble Co.	U.S. Equity	—	789
11.75	Government of Canada	December 15, 1992	1,610	1,030
10.25	Government of Canada	March 15, 2014	25	973
	Polygram N V	U.S. Equity	—	230
	William Cos.	U.S. Equity	—	360
			$ 17,590	$ 109,032

Exhibit 4

Workers' Compensation Board (Saskatchewan)
Government of Canada Deposit Account

Year ended December 31, 1989

		(thousands of dollars)
Balance due Board, beginning of year		$ 599
Receipts		2,233
Billings during year		
Compensation	$ 1,353	
Medical Aid and Rehabilitation	321	
Administration	452	
Adjudication Fees	71	2,197
Balance due Board, end of year		$ 563

Workers' Compensation Board (Saskatchewan)
Responsibility for Financial Statements

Board of Directors

The accompanying financial statements were approved by the Members of the Board, which has overall responsibility for their contents. The Board is responsible for:

- Review with the external auditor the systems of internal control and security.
- Recommend other accounting, financial and security matters as required.

In carrying out the above responsibilities, the Board meets regularly with management and the external auditor to approve the scope and timing of their respective audits, to review their findings, and to satisfy itself that their responsibilities have been properly discharged.

Management

The annual report and financial statements were prepared by management. Some of the assets and liabilities include amounts which are based on estimates and judgments, because their final determination is dependent upon subsequent events. In the opinion of management, the accompanying financial statements fairly reflect the financial position, results of operations and changes in financial position of the Board within reasonable limits of materiality and in accordance with the accounting policies outlined in Note 1 to the Board's financial statements.

Independent Consulting Actuary

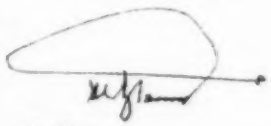
The function of the independent consulting actuary is to carry out an annual valuation of the Workers' Compensation Board's liabilities in accordance with the Recommendations for Insurance Company Financial Reporting of the Canadian Institute of Actuaries. The Actuary's report reflects his opinions based on an informed judgment that:

- good and sufficent provision has been made for all the obligations guaranteed under the terms of established pension and earnings loss awards and to provide for the costs of future payments to be incurred in respect of 1989 and prior years' injuries;
- the assumption for interest, mortality, morbidity and other contingencies are appropriate to the circumstance of the company and are applied on a consistent basis.

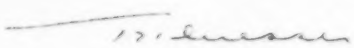
External Auditor

Peat Marwick Thorne has been appointed external auditor to report to the Members of the Board regarding the fairness of presentation of the Board's financial position and results of operations as shown in the annual financial statements.

The opinion of the external auditor is based upon obtaining an understanding of the Board's accounting systems, procedures and controls. Based upon the evaluation of these systems, the external auditor conducts appropriate tests of the Board's accounting records and obtains sufficient audit evidence to provide reasonable assurance that the financial statements are presented fairly and on a basis consistent with that of the preceding year.



K.L. Brown
Chief Administrative Officer



T.R. Thiessen
Director of Finance

KPMG Peat Marwick Thorne

Auditors' Report

To the Members of the Workers' Compensation Board
Regina, Saskatchewan

We have examined the statement of financial position of the Workers' Compensation Board as at December 31, 1989 and statements of operations and injury fund balance and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Board as at December 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Peat Marwick Thorne

Chartered Accountants

Regina, Canada

March 23, 1990

WILLIAM M.
MERCER
LIMITED

Consulting Actuary's Report on the Valuation of the Actuarial Liabilities of the Workers' Compensation Board as at 31 December 1989

I have made the valuation of the actuarial liabilities of the Workers' Compensation Board as at 31 December 1989 and hereby certify that, in my opinion, the amount required at 31 December 1989 to make proper provisions for future compensation, medical aid and rehabilitation expenses payable to injured workers and their dependents, on claims incurred prior to 1990, is $353,468,576. This amount does not include any amounts payable from the limited compensation reserve or the annuity reserve. This amount does not take advance credit for any portion of the future compensation, medical aid and rehabilitation expenses which might be paid out of the second injury reserve or the disaster reserve on claims incurred prior to 1990.

In my opinion:

(a) the assumptions made in the valuation upon which this report is based are appropriate for the purpose of the valuation;

(b) the methods employed are consistent with sound actuarial principles; and

(c) the data on which this report is based are sufficient and reliable for the purpose of the valuation.

Larry D. Miller
Fellow of the Society of Actuaries
Fellow of the Canadian Institute of Actuaries

William M. Mercer Limited

March 1990

Workers' Compensation Board (Saskatchewan)
Statement of Financial Position

Year ended December 31, 1989 with comparative figures for 1988

	1989	1988
	(thousands of dollars)	
Assets		
Cash and short-term investments (note 2)	$ 11,298	42,819
Accounts receivable	5,839	5,439
Accrued Interest	6,053	7,375
Investments (note 3)	370,640	309,053
Land, building and equipment (note 4)	15,059	13,053
	$ 408,889	377,739
Liabilities and Injury Fund Balance		
Liabilities:		
Accounts payable (note 5)	$ 13,910	12,231
Compensation payable	353,469	336,615
Annuity fund payable	15,939	12,585
	383,318	361,431
Injury fund balance (note 6)	25,571	16,308
Commitments (note 8)		
	$ 408,889	377,739

See accompanying notes to financial statements.

On behalf of the Board:

G. Garven, Chairman

G. Bissett, Board Member

L. Larson, Board Member

Workers' Compensation Board (Saskatchewan)
Statement of Operations and Injury Fund Balance

Year ended December 31, 1989 with comparative figures for 1988

	1989	1988
	(thousands of dollars)	
Revenue:		
Assessments (note 7)	$ 91,442	93,363
Investment income	35,874	32,434
	127,316	125,797
Expenses:		
Compensation	83,236	87,177
Medical aid	15,358	14,798
Administration expense (Schedule 1)	13,596	12,552
Occupational Health & Safety	3,067	2,814
Vocational rehabilitation	1,808	2,458
Safety grants	621	475
Worker's Advocate	365	303
	118,053	120,577
Net income	9,263	5,220
Injury fund balance, beginning of year	16,308	11,088
Injury fund balance, end of year	$ 25,571	16,308

See accompanying notes to financial statements.

Workers' Compensation Board (Saskatchewan)
Statement of Changes in Financial Position

Year ended December 31, 1989 with comparative figures for 1988

	1989	1988
	(thousands of dollars)	
Operating activities:		
Net income	$ 9,263	5,220
Item not affecting working capital:		
Depreciation	1,062	637
Net changes in non-cash working capital balances relating to operations:		
Accounts receivable	(400)	(2,068)
Accrued interest	1,322	(1,022)
Accounts payable	1,679	1,053
Compensation payable	16,854	16,629
Annuity fund payable	3,354	3,145
Cash provided by operations	33,134	23,594
Investing activities:		
Acquisition of fixed assets	(3,068)	(4,563)
Purchase of long-term investments	(112,228)	(14,868)
Sale of long-term investments	50,641	15,981
Cash applied to investing activities	(64,655)	(3,450)
Increase (decrease) in cash during the year	(31,521)	20,144
Cash and short-term investments, beginning of year	42,819	22,675
Cash and short-term investments, end of year	$ 11,298	42,819

See accompanying notes to financial statements.

Workers' Compensation Board (Saskatchewan)
Notes to Financial Statements

December 31, 1989

The Workers' Compensation Board operates under the authority of The Workers' Compensation Act, 1979, Statutes of Saskatchewan (the Act).

In accordance with the provisions of the Act, the Board's general powers and purposes are to provide workers' compensation insurance to Saskatchewan workers and employers.

The Board maintains an injury fund balance representing all funds collected and expenses incurred to administer the Act.

1. Significant Accounting Policies:

Investments

(i) Short-term investments are recorded at cost which approximates market.

(ii) Bonds and debentures are recorded at cost at the time of purchase with any discount or premium amortized on a straight-line basis over the period remaining to the maturity date of the investment.

(iii) Equities are accounted for on the fair value method. This method values equities on a five-year moving average of market values thereby allowing for a gradual movement toward current quoted market values. Equities expressed in U.S. dollars are translated into Canadian dollars at the year-end exchange rate.

(iv) Mortgages are recorded at cost and the principal is reduced by principal repayments throughout the year.

(v) Gains or losses on the sale of investments are taken into or charged against revenue in the year of sale.

Depreciation

Depreciation is recorded as follows:

Office building	2½% straight-line
Office furnishings	10% straight-line
Computer equipment	20% straight-line
Leasehold improvements	Straight-line over the term of the lease
Rehabilitation equipment	5% - 20% straight line
Rehabilitation facility	2½% straight-line

Assessment Revenue

At the beginning of each year, an assessment is levied on employers by applying their industry assessment rate to their estimated payrolls. The assessment levy is payable by installments within the current year. At year-end, assessment income is adjusted based on a review of the employers' actual payrolls.

Compensation payable

The calculation of this liability is annually determined by the Board's independent consulting actuary using actuarial methods and assumptions appropriate to the liability being measured. This liability represents the estimated amount required to meet future payments in respect of 1989 and prior years' injuries and the amount required to provide for future payments on established pension and extended earnings loss awards.

Annuity fund payable

The Board sets aside 10% of compensation paid to workers injured after December 31, 1979 who have been on compensation for twenty-four consecutive months, which together with investment income allocated each year to the fund based upon the Board's average rate of return on investments, will provide an annuity for the worker at age sixty-five. These amounts are charged to the Injury Fund as compensation.

2. Cash and short-term investments:

	1989	1988
	(thousands of dollars)	
Cash less outstanding cheques	$ (498)	(1,603)
Government of Canada	—	1,041
Corporate	4,000	37,582
Long-term investments maturing within one year	7,796	5,799
	$ 11,298	42,819

3. Investments:

	1989		1988	
	(thousands of dollars)			
	Book Value	Market Value	Book Value	Market Value
Bonds and debentures	$ 231,293	233,895	244,332	240,656
Equities	123,461	129,856	45,855	43,480
Mortgages, at cost	15,886	15,821	18,866	18,950
	$ 370,640	379,572	309,053	303,086

4. Land, Building, and Equipment:

	Cost	Accumulated Depreciation	Net Book Value 1989	Net Book Value 1988
		(thousands of dollars)		
Land	$ 162	—	162	162
Building	2,825	1,252	1,573	1,622
Office furnishings	975	639	336	352
Computer equipment	2,603	1,254	1,349	1,506
Leasehold improvements	40	35	5	3
Rehabilitation equipment	737	113	624	233
Rehabilitation facility	11,293	283	11,010	9,175
	$ 18,635	3,576	15,059	13,053

5. Accounts Payable:

	1989	1988
	(thousands of dollars)	
Merit rebates	$ 8,126	6,714
Assessment refunds	776	942
Employee benefits liability	1,099	950
Occupational Health & Safety	3,067	2,814
Worker's Advocate	365	303
Other payables	477	508
	$ 13,910	12,231

6. Injury Fund:

In accordance with the Act, the Board maintains an Injury Fund and under its authority has established the following reserves to meet costs arising from any disaster or other circumstance the liability for which would unfairly burden employers.

	Disaster	Second Injury and Rehabilitation	General	Operating Reserve	Total
			(thousands of dollars)		
BALANCE, beginning of year	$ 12,463	5,675	16,185	(18,015)	16,308
ADD:					
Allocation of interest income	4,919	3,567	—	—	8,486
Net income	—	—	—	9,263	9,263
LESS:					
Transfer to revenue to provide assistance to particular industry codes	4,919	3,567	—	—	8,486
BALANCE, end of year	$ 12,463	5,675	16,185	(8,752)	25,571

7. Assessments:

	1989	1988
	(thousands of dollars)	
Assessment revenue	$ 97,215	96,567
Merit rebate	(8,126)	(6,714)
Government of Canada assessment	1,674	1,880
Surcharge penalty	679	1,630
	$ 91,442	93,363

8. Commitments:

The Board has lease commitments over the next five years for computer processing, building rental and equipment leasing, as follows:

	(thousands of dollars)
1990	$360
1991	70
1992	64
1993	50
1994	36

The Board also has further commitment regarding the funding of the construction of the Wascana Rehabilitation Centre. On December 31, 1989 this commitment amounted to $791,385.

9. Pension Plan:

The Board has a defined benefit plan for certain of its employees hired before October 1, 1977. The Board values these pension plan assets at market-related values whereby capital appreciation and depreciation, both realized and unrealized, is recognized over a period of four years. Experience gains and losses are amortized using the straight-line method over the expected average remaining service life of the plan participants.

According to an actuarial review done as at December 31, 1989, the value of the pension plan assets at December 31, 1989 is $12,599,609 (1988 - $11,684,076) and the estimated actuarial present vaue of accrued pension benefits attributed to services rendered is $10,740,781 (1988 - $9,917,297).

All other employees of the Board belong to a money purchase pension plan. Employee contributions to this plan are matched by the Board and expensed in the period made.

10. Related party transactions:

Included in these financial statements are expense amounts resulting from routine operating transactions conducted at prevailing market prices with various Saskatchewan Crown controlled departments, agencies and corporations with which the Board does business.

Account balances resulting from these transactions are included in the statement of financial position and are settled on normal trade terms.

11. Comparative figures:

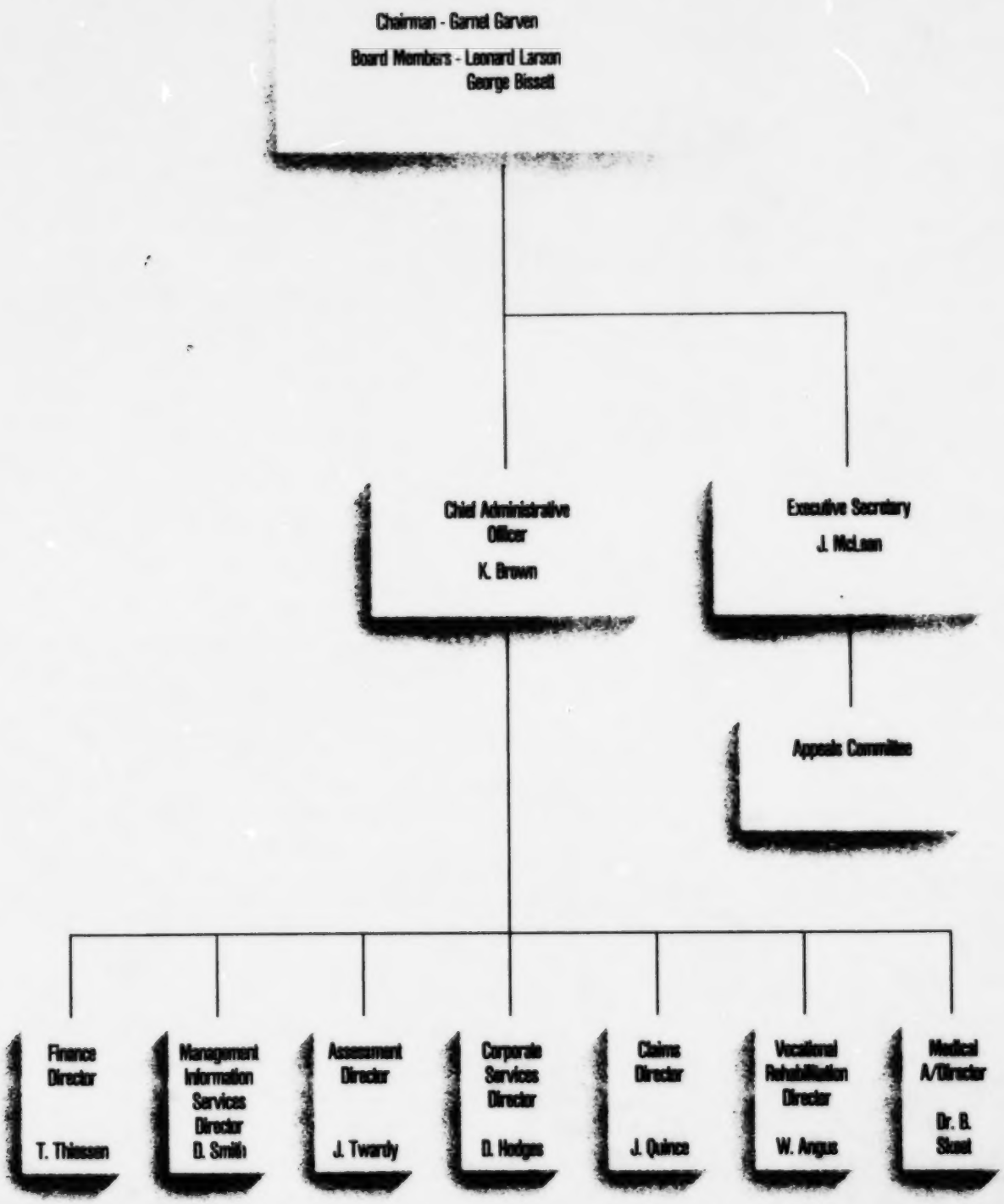
Certain comparative figures have been reclassified to conform to the current year's presentation.

Workers' Compensation Board (Saskatchewan)
Schedule 1 - Administration Expenses

Year ended December 31, 1989 with comparative figures for 1988

	1989	1988
	(thousands of dollars)	
Salaries	$ 9,006	8,363
Computer processing	1,134	1,050
Depreciation	1,062	637
Employee benefits	1,025	984
Communications and postage	718	670
Printing, stationery and office supplies	554	489
Professional services	269	477
Building operations	253	240
Travel and automobile expenses	244	268
Office rental	228	179
Miscellaneous	64	178
Office machines and equipment	35	38
	14,592	13,573
Less:		
Assessment penalties	470	480
Expenses charged to Government of Canada	453	475
Adjudication fees	71	66
	$ 13,598	12,552

ORGANIZATIONAL CHART



Publications

The following publications are available from:

Workers' Compensation Board
1840 Lorne Street
Regina, Canada S4P 2L8
(306) 787-4370
Toll Free 1-800-667-7590

Publications

Annual Reports
The Workers' Compensation Act, 1979, and Amendments

Pamphlets

Information for Employers
Information for Workers
Rate Classification of Industries
Information for Health Care Professionals
Workers' Compensation and Farming
Hiring Injured Workers is Good Business
Returning to Employment After Your Injury
Second Injury Fund Assistance for Employers who Hire Rehabilitated Workers
Board Decisions and Appeals - Information for Employers
Board Decisions and Appeals - Information for Workers

Forms

Employer's Report of Accident (EI)
Employer's Subsequent Statemcnt
Worker's Report of Accident (WI)
Worker's Progress Report
Doctor's Initial Report
Doctor's Progress Report
Chiropractor's Initial Report
Chiropractor's Progress Report
Doctor's Initial Eye Report
Standard Dental Claim Report
Dentist's First Report
Declaration of Employer — Fatal Case
Statutory Declaration — Spouse (Fatal Case)
Employer's Request to Review Original File
Employer's Request for Photocopy of File
Employer's Representative's Request to Review Original File
Injured Worker's Request to Review Original File
Injured Worker's Request for Photocopy of File
Injured Worker's Representative's Request to Review Original File
Hospital Admission Record

Posters

Notice to Workers Injured at Work

Other Information

National work injury statistics for the year 1983-1985, 1984-1986, 1985-87 and 1986-88 are available from Statistics Canada, Labour Division, National Work Injury Statistics Program, Ottawa, Ontario K1A 0T6.